

2013 DRAFTING REQUEST

Bill

Received: 12/20/2013	Received By: jkreye
Wanted: As time permits	Same as LRB: -4062
For: Kathleen Bernier (608) 266-9172	By/Representing: chad
May Contact:	Drafter: jkreye
Subject: Tax, Property - exemption	Addl. Drafters:
	Extra Copies:

Submit via email: **YES**
 Requester's email: **Rep.Bernier@legis.wisconsin.gov**
 Carbon copy (CC) to: **joseph.kreye@legis.wisconsin.gov**

Pre Topic:

No specific pre topic given

Topic:

Property tax exemption for rented personal property

Instructions:

See attached

Drafting History:

<u>Vers.</u>	<u>Drafted</u>	<u>Reviewed</u>	<u>Typed</u>	<u>Proofed</u>	<u>Submitted</u>	<u>Jacketed</u>	<u>Required</u>
/P1	jkreye 1/16/2014	scalvin 12/20/2013	jmurphy 12/20/2013	_____	mbarman 12/20/2013		State S&L Tax
/P2	jkreye 1/21/2014	scalvin 1/16/2014	rschluet 1/16/2014	_____	srose 1/16/2014		State S&L Tax
/1	jkreye	scalvin	jmurphy	_____	sbasford		State

<u>Vers.</u>	<u>Drafted</u>	<u>Reviewed</u>	<u>Typed</u>	<u>Proofed</u>	<u>Submitted</u>	<u>Jacketed</u>	<u>Required</u>
	1/31/2014	1/21/2014	1/21/2014	_____	1/21/2014		S&L
							Tax
/2		scalvin	rschluet	_____	mbarman	lparisi	State
		1/31/2014	1/31/2014	_____	1/31/2014	2/3/2014	S&L
							Tax

FE Sent For:

1/21/2014 12:00:00 AM,1/31/2014 12:00:00 AM

<END>

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	1/31/2014	1/21/2014	1/21/2014	_____	1/21/2014		S&L
							Tax
/2		scalvin	rschluet	_____	mbarman		State
		1/31/2014	1/31/2014	_____	1/31/2014		S&L
							Tax

FE Sent For:

1/21/2014 ~~12:00:00 AM~~

(1/1")

<END>

01-31-2014

(1/2")

per
JK

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Same as LRB:

For: **Kathleen Bernier (608) 266-9172**By/Representing: **chad**

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Drafter: **jkreye**Subject: **Tax, Property - exemption**

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Please submit
 Nov 2 for 2
 PE Joe

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/1		scalvin	jmurphy	_____	sbasford		State

13114 56

Vers. Drafted

Reviewed

1/21/2014

Typed

1/21/2014

Proofed

Submitted

1/21/2014

Jacketed

Required

S&L

Tax

1/2 sac
01/31/2014

1/2 sac
01/31/2014

FE Sent For:

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01-21-2014
(1/1")

per JK

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/P2		scalvin 1/16/2014	rschluet 1/16/2014	_____	srose 1/16/2014		State S&L Tax
FE Sent For:		/1 sac 01/21/2014	/1 sac 01/21/2014	Jim 1/21			

<END>

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Instructions:

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FE Sent For:							

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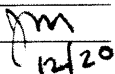
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Property tax exemption for rented personal property ✓

Instructions:

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/P1	jkreye	/P1 sac 12/20/2013	/P1 sac 12/20/2013	 12/20			

FE Sent For:

<END>

12-20-13

Chad — Rep Bernier

dr⁷⁰ property losstypical rental
28 days + addendums
to continue

large rental companies →

70.111(22) — rented personal property

city of madison — owner went past 1 month
period under the statute

significant facility in Chippewa Falls

"less than 365 days"

instead of one month or less

open-ended nondefined rental term



State of Wisconsin
2013 - 2014 LEGISLATURE



LRB-3878/P1

JK:/:....

see

PRELIMINARY DRAFT - NOT READY FOR INTRODUCTION

in Friday 12-20-13
due Friday 12-27

1 AN ACT ^{genat}; relating to: the property tax exemption for rented personal property.

Analysis by the Legislative Reference Bureau

Under current law, certain personal property held for rental for periods of one month or less to multiple users for their temporary use is exempt from the property tax. Under this bill, such property held for periods of 364 days or less is exempt from the property tax.

Because this bill relates to an exemption from state or local taxes, it may be referred to the Joint Survey Committee on Tax Exemptions for a report to be printed as an appendix to the bill.

For further information see the **state and local** fiscal estimate, which will be printed as an appendix to this bill.

The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:

×

2 SECTION 1. 70.111 (22) of the statutes is amended to read:

3 70.111 (22) RENTED PERSONAL PROPERTY. Personal property held for rental for
4 periods of ~~one month~~ 364 days or less to multiple users for their temporary use, if
5 the property is not rented with an operator, if the owner is not a subsidiary or affiliate
6 of any other enterprise which is engaged in any business other than personal

1 property rental, if the owner is classified in group number 735, industry number
2 7359 of the 1987 standard industrial classification manual published by the U.S.
3 office of management and budget and if the property is equipment, including
4 construction equipment but not including automotive and computer-related
5 equipment, television sets, video recorders and players, cameras, photographic
6 equipment, audiovisual equipment, photocopying equipment, sound equipment,
7 public address systems and video tapes; party supplies; appliances; tools; dishes;
8 silverware; tables; or banquet accessories.

History: 1971 c. 315; 1973 c. 90; 1973 c. 336 s. 36; 1975 c. 39, 224; 1977 c. 29 ss. 746, 1646 (2), (3), (4); 1977 c. 142, 273; 1979 c. 3, 199, 349; 1981 c. 20, 221; 1983 a. 27 ss. 1179 to 1179m; 1983 a. 88, 201, 243, 276; 1985 a. 29; 1987 a. 387, 399; 1989 a. 31; 1991 a. 269; 1993 a. 85; 1995 a. 27; 1997 a. 248; 1999 a. 9; 1999 a. 150 s. 672; 2001 a. 16, 30, 105; 2005 a. 298; 2007 a. 11, 20, 42, 97; 2009 a. 2; 2013 a. 20.

9 **SECTION 2. Initial applicability.**

10 (1) This act first applies to the property tax assessments as of January 1, 2014.

11 (END)

Kreye, Joseph

From: Zuleger, Chad
Sent: Thursday, January 16, 2014 2:09 PM
To: Kreye, Joseph
Subject: LRB 3878/P1

Hi Joe,

We're looking at a change to the /P1 draft.

The /P2 draft should read:

Section 1. 70.111 (22) of the statutes is amended to read:

70.111 (22) RENTED PERSONAL PROPERTY. Personal property "Primarily" held for rental for periods of ~~one month~~ 364 days or less to multiple users for their temporary use, if the property is not rented with an operator, if the owner is not a subsidiary or affiliate of any other enterprise which is engaged in any business other than personal property rental, if the owner is classified in group number 735, industry number 7359 of the 1987 standard industrial classification manual published by the U.S. office of management and budget, or 532412 of the 2012 North American Industry Classification System published by the U.S. Census Bureau, and if the property is equipment, including construction equipment but not including automotive and computer-related equipment, television sets, video recorders and players, cameras, photographic equipment, audiovisual equipment, photocopying equipment, sound equipment, public address systems, and video tapes; party supplies; appliances; tools; dishes; silverware; tables; or banquet accessories.

Section 2. Initial applicability.

(1) This act first applies to the property tax assessments as of January 1, 2014.

(END)

This was the input from the group I'm working with related to the above change:
Hi Chad,

We just noticed that the 1987 code section referenced in our statute is outdated. Please see the attached that would update the cross reference.

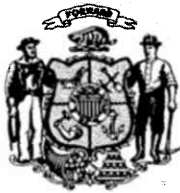
I assume that the drafters or Legislative Council would have eventually caught this. Let me know if this makes sense after they review.

Joe, would you please review the justification and if you find it is sound, go ahead with a P2 draft right away. If you see any problems or have any concerns, please let me know and we can discuss. Thank you!

Chad

Chad Zuleger
Office of State Representative Kathy Bernier

68th Assembly District
(608) 266-9172



State of Wisconsin
2013 - 2014 LEGISLATURE



LRB-3878/P1
JK:sac:im

P2
RWR

PRELIMINARY DRAFT - NOT READY FOR INTRODUCTION

in law 1-16
due Friday 1-17

- 1 AN ACT ^{general} to amend 70.111 (22) of the statutes; relating to: the property tax
2 exemption for rented personal property.

Analysis by the Legislative Reference Bureau

* Under current law, certain personal property held for rental for periods of one month or less to multiple users for their temporary use is exempt from the property tax. Under this bill, ^{certain} such property held for periods of 364 days or less is exempt from the property tax.

Because this bill relates to an exemption from state or local taxes, it may be referred to the Joint Survey Committee on Tax Exemptions for a report to be printed as an appendix to the bill.

For further information see the *state and local* fiscal estimate, which will be printed as an appendix to this bill.

The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:

- 3 SECTION 1. 70.111 (22) of the statutes is amended to read:
4 70.111 (22) RENTED PERSONAL PROPERTY. Personal property held ^{primarily} for rental for
5 periods of ~~one month~~ 364 days or less to multiple users for their temporary use, if the
6 property is not rented with an operator, if the owner is not a subsidiary or affiliate

1 of any other enterprise which is engaged in any business other than personal
2 property rental, if the owner is classified in group number 735, industry number
3 7359 of the 1987 standard industrial classification manual published by the U.S.
4 office of management and budget and if the property is equipment, including
5 construction equipment but not including automotive and computer-related
6 equipment, television sets, video recorders and players, cameras, photographic
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12 (END)

or under 532412 of the 2012 North American
Industry Classification System published by the
of the U.S. Census Bureau

Kreye, Joseph

From: Zuleger, Chad
Sent: Tuesday, January 21, 2014 11:39 AM
To: Kreye, Joseph
Subject: LRB 3878/P2

Hi Joe,

I was told to contact you to with regard to requesting a fiscal estimate from DOR on this draft (attached). I spoke with Michael Wagner at DOR and he said, based on how complex the fiscal note would be, that I could get it back sooner. And....I do need it sooner rather than later. Any help you can give in getting a fiscal note is greatly appreciated. I don't think there will be a state impact...only impact I think will apply is as the bill applies to municipalities (and I'd like that impact on the fiscal note if possible, too).

Please give me a call if you have any questions or if you get some idea when I might be able to see a fiscal note.

Thanks,

Chad

Chad Zuleger

Office of State Representative Kathy Bernier
68th Assembly District
(608) 266-9172



13-3878_P2.pdf



State of Wisconsin
2013 - 2014 LEGISLATURE



LRB-3878/P2

JK:sac:CS

RMK

PRELIMINARY DRAFT - NOT READY FOR INTRODUCTION

Today

1-21-14

no changes

gen cat

- 1 **AN ACT to amend** 70.111 (22) of the statutes; **relating to:** the property tax
2 exemption for rented personal property.

Analysis by the Legislative Reference Bureau

Under current law, certain personal property held for rental for periods of one month or less to multiple users for their temporary use is exempt from the property tax. Under this bill, certain property held primarily for rental for periods of 364 days or less to multiple users for their temporary use is exempt from the property tax.

Because this bill relates to an exemption from state or local taxes, it may be referred to the Joint Survey Committee on Tax Exemptions for a report to be printed as an appendix to the bill.

For further information see the **state and local** fiscal estimate, which will be printed as an appendix to this bill.

The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:

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1 affiliate of any other enterprise which is engaged in any business other than personal
2 property rental, if the owner is classified in group number 735, industry number
3 7359 of the 1987 standard industrial classification manual published by the U.S.
4 office of management and budget, or under 532412 of the 2012 North American
5 Industry Classification System published by the U.S. bureau of the census, and if the
6 property is equipment, including construction equipment but not including
7 automotive and computer-related equipment, television sets, video recorders and
8 players, cameras, photographic equipment, audiovisual equipment, photocopying
9 equipment, sound equipment, public address systems and video tapes; party
10 supplies; appliances; tools; dishes; silverware; tables; or banquet accessories.

11 **SECTION 2. Initial applicability.**

12 (1) This act first applies to the property tax assessments as of January 1, 2014.

13 (END)

Memo

To: Representative **Bernier**

(The Draft's Requester)

Per your request ... the attached fiscal estimate was prepared for your un-introduced 2013 session draft.

LRB Number: LRB-3878

Version: “/1” (original)

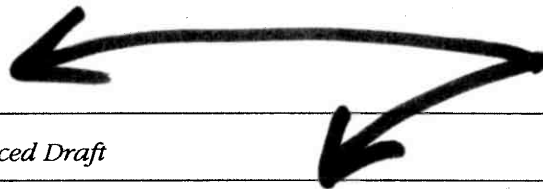
Fiscal Estimate Prepared By: (agency abbr.) DOR

If you have questions about the enclosed fiscal estimate, you may contact the state agency representative that prepared the fiscal estimate. If you disagree with the enclosed fiscal estimate, please contact the LRB drafter of your proposal to discuss your options under the fiscal estimate procedure.

★ ★

Entered In Computer And Copy Sent To Requester Via E-Mail: 01 / 29 / 2013

To: LRB – Legal Section PA's



Subject: *Fiscal Estimate Received For An Un-introduced Draft*

> **If re-drafted** ... please insert this cover sheet and attached early fiscal estimate into the drafting file “guts” ... after the draft's old version (the version that this fiscal estimate was based on), and just before re-draft of the updated version.

> **If introduced** ... please make sure the attached fiscal estimate is for the **current version** ... write the draft's new introduction number below and give this packet to Mike (or Lori) to re-process the fiscal estimate (w/intro. number included).

THIS DRAFT WAS INTRODUCED AS: 2013 _____

Barman, Mike

From: Barman, Mike
Sent: Wednesday, January 29, 2014 12:45 PM
To: Rep. Bernier
Cc: Zuleger, Chad
Subject: LRB-3878/1 (un-introduced) (Tech. Memo & FE by DOR - attached - for your review)



TM-3878_DOR.p...



FE-3878_DOR.pdf

Drafter: JK
Subject: Tax, Property - exemption

Mike Barman (Lead Program Assistant)

State of Wisconsin - Legislative Reference Bureau - Legal Section - Front Office
1 East Main Street, Suite 200, Madison, WI 53703
(608) 266-3561 / mike.barman@legis.wisconsin.gov

Fiscal Estimate - 2013 Session

☒ Original ☐ Updated ☐ Corrected ☐ Supplemental

LRB Number 13-3878/1		Introduction Number	
Description Property tax exemption for rented personal property			
Fiscal Effect			
State:			
<input type="checkbox"/> No State Fiscal Effect			
<input type="checkbox"/> Indeterminate			
<input type="checkbox"/> Increase Existing Appropriations		<input type="checkbox"/> Increase Existing Revenues	
<input type="checkbox"/> Decrease Existing Appropriations		<input checked="" type="checkbox"/> Decrease Existing Revenues	
<input type="checkbox"/> Create New Appropriations		<input checked="" type="checkbox"/> Increase Costs - May be possible to absorb within agency's budget	
		<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
		<input type="checkbox"/> Decrease Costs	
Local:			
<input type="checkbox"/> No Local Government Costs			
<input checked="" type="checkbox"/> Indeterminate			
1. <input type="checkbox"/> Increase Costs		3. <input type="checkbox"/> Increase Revenue	
<input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory		<input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory	
2. <input type="checkbox"/> Decrease Costs		4. <input type="checkbox"/> Decrease Revenue	
<input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory		<input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory	
5. Types of Local Government Units Affected			
<input checked="" type="checkbox"/> Towns		<input checked="" type="checkbox"/> Village	
<input checked="" type="checkbox"/> Counties		<input checked="" type="checkbox"/> Cities	
		<input type="checkbox"/> Others	
		<input checked="" type="checkbox"/> School Districts	
		<input checked="" type="checkbox"/> WTCS Districts	
		<input checked="" type="checkbox"/> <u>sanitary.</u>	
		<input checked="" type="checkbox"/> <u>lake.</u>	
		<input checked="" type="checkbox"/> <u>metro</u>	
		<input checked="" type="checkbox"/> <u>sewer</u>	
Fund Sources Affected			
<input type="checkbox"/> GPR <input type="checkbox"/> FED <input type="checkbox"/> PRO <input type="checkbox"/> PRS <input type="checkbox"/> SEG <input type="checkbox"/> SEGS			
Affected Ch. 20 Appropriations			
Agency/Prepared By		Authorized Signature	
DOR/ Daniel Huegel (608) 266-5705		Robert Schmidt (608) 267-9892	
		Date	
		1/29/2014	

Fiscal Estimate Narratives

DOR 1/29/2014

LRB Number	13-3878/1	Introduction Number	Estimate Type	Original
Description Property tax exemption for rented personal property				

Assumptions Used in Arriving at Fiscal Estimate

CURRENT LAW

Under current law, rented personal property is exempt from property taxation if it is exclusively used for rental and if it meets certain conditions, such as (1) the property is rented for periods of one month or less to multiple users for their temporary use, (2) the property is not rented with an operator, and (3) the owner is classified in industry group 7359 (equipment rental and leasing, not elsewhere classified) under the 1987 standard industrial classification manual published by the U.S. Office of Management and Budget. Certain types of equipment do not qualify for the exemption, such as automotive equipment, computers and related equipment, television sets, video recorders and players, cameras, photographic equipment, audiovisual equipment, photocopying equipment, sound equipment, public address systems and video tapes, party supplies, appliances, tools, and eating accessories.

PROPOSED LAW

The bill makes the following changes to current law. (1) The property would need to be primarily for rentals to multiple users, (2) the lease term would be changed to 364 days or less, and (3) owners under standard industrial code 532412 (rental of heavy equipment used in construction, mining, and forestry) under the standard industrial classification system published by the U. S. Bureau of the Census, would be added to the list of qualifying entities.

LOCAL FISCAL EFFECT

The fiscal effect of the bill is primarily related to the lease term being expanded from one month or less to 364 days or less, with a lesser effect due to the change related to primary use. While it is common for many types of equipment to be rented under annual leases, decreasing the lease term by 1 or 2 days could qualify such property for the exemption proposed under the bill.

Most of the personal property that may be exempted under the bill would probably be classified as "furniture, fixtures, and equipment". The equalized value of "furniture, fixtures, and equipment" for 2013 was \$5.057 billion. The bill is expected to exempt 1% to 2% of such property from property taxation. Thus, for the 2013/14 property tax year, the bill would have exempted from \$50 million ($\$5.057 \text{ billion} \times 0.01$) to \$100 million ($\$5.057 \text{ billion} \times 0.02$) in property from taxation. At the estimated statewide net tax rate for 2013/14 of \$21.05 per \$1,000 equalized value, the bill would have shifted from \$1,052,500 ($\$50,000,000 \times 0.02105$) to \$2,105,000 ($\$100,000,000 \times 0.02105$) in property taxes from the exempted property to the remaining taxable property.

STATE FISCAL EFFECT

The state imposes a property tax for forestation purposes at a rate of about \$0.1697 per \$1,000 equalized value. The bill is expected to reduce this tax by between \$8,485 ($\$50,000,000 \times 0.0001697$) to \$16,970 ($\$100,000,000 \times 0.0001697$).

The Department of Revenue would incur costs to change its administrative procedures and to notify local assessors of the change in the law. These costs can be absorbed within current budgetary resources.

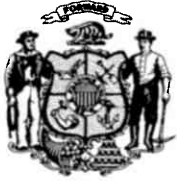
Long-Range Fiscal Implications

Fiscal Estimate Worksheet - 2013 Session

Detailed Estimate of Annual Fiscal Effect

☒ Original
 ☐ Updated
 ☐ Corrected
 ☐ Supplemental

LRB Number 13-3878/1		Introduction Number	
Description Property tax exemption for rented personal property			
I. One-time Costs or Revenue Impacts for State and/or Local Government (do not include in annualized fiscal effect):			
II. Annualized Costs:		Annualized Fiscal Impact on funds from:	
		Increased Costs	Decreased Costs
A. State Costs by Category			
State Operations - Salaries and Fringes	\$	\$	
(FTE Position Changes)			
State Operations - Other Costs			
Local Assistance			
Aids to Individuals or Organizations			
TOTAL State Costs by Category	\$	\$	
B. State Costs by Source of Funds			
GPR			
FED			
PRO/PRS			
SEG/SEG-S			
III. State Revenues - Complete this only when proposal will increase or decrease state revenues (e.g., tax increase, decrease in license fee, etc.)			
	Increased Rev	Decreased Rev	
GPR Taxes	\$	\$	
GPR Earned			
FED			
PRO/PRS			
SEG/SEG-S			
TOTAL State Revenues	\$	\$	
NET ANNUALIZED FISCAL IMPACT			
	<u>State</u>	<u>Local</u>	
NET CHANGE IN COSTS	\$	\$	
NET CHANGE IN REVENUE	\$see text of fiscal note	\$	
Agency/Prepared By			
DOR/ Daniel Huegel (608) 266-5705		Authorized Signature	
		Robert Schmidt (608) 267-9892	
		Date	
		1/29/2014	



State of Wisconsin

LEGISLATIVE REFERENCE BUREAU

1 EAST MAIN, SUITE 200
P. O. BOX 2037
MADISON, WI 53701-2037

LEGAL SECTION: (608) 266-3561
REFERENCE SECTION: (608) 266-0341
FAX: (608) 264-6948

STEPHEN R. MILLER
CHIEF

January 29, 2014

MEMORANDUM

To: Representative Bernier

From: Joseph T. Kreye, Sr. Legislative Attorney, (608) 266-2263

Subject: Technical Memorandum to **2013 un-introduced** (LRB-3878/1) by **DOR**

We received the attached technical memorandum relating to your bill. This copy is for your information and your file.

If you wish to discuss this memorandum or the necessity of revising your bill or preparing an amendment, please contact me.

MEMORANDUM

January 29, 2014

TO: Joseph T. Kreye
Legislative Reference Bureau

FROM: Robert Schmidt
Department of Revenue

SUBJECT: Technical Memorandum on 2013 LRB-3878/1 Relating to the Property Tax
Exemption for Rented Personal Property

The Department of Revenue has the following concern with the bill:

The proposed exemption would take effect for the January 1, 2014 assessment. The deadline for claiming exemptions for the 2014 assessment is March 1, 2014. Unless the bill is expected to be enacted by March 1, 2014, an effective date for the exemption of January 1, 2015 would be preferable.

If you have any questions regarding this technical memorandum, please contact Daniel Huegel at 266-5705.

Barman, Mike

From: Barman, Mike
Sent: Wednesday, January 29, 2014 12:45 PM
To: Rep. Bernier
Cc: Zuleger, Chad
Subject: LRB-3878/1 (un-introduced) (Tech. Memo & FE by DOR - attached - for your review)



TM-3878_DOR.p...



FE-3878_DOR.pdf

Drafter: JK
Subject: Tax, Property - exemption

Mike Barman (Lead Program Assistant)

State of Wisconsin - Legislative Reference Bureau - Legal Section - Front Office
1 East Main Street, Suite 200, Madison, WI 53703
(608) 266-3561 / mike.barman@legis.wisconsin.gov



State of Wisconsin
2013 - 2014 LEGISLATURE



LRB-3878/1

JK:sac:im

2013 BILL

- 1 AN ACT to amend 70.111 (22) of the statutes; relating to: the property tax
2 exemption for rented personal property.

Analysis by the Legislative Reference Bureau

Under current law, certain personal property held for rental for periods of one month or less to multiple users for their temporary use is exempt from the property tax. Under this bill, certain property held primarily for rental for periods of 364 days or less to multiple users for their temporary use is exempt from the property tax.

Because this bill relates to an exemption from state or local taxes, it may be referred to the Joint Survey Committee on Tax Exemptions for a report to be printed as an appendix to the bill.

For further information see the **state and local** fiscal estimate, which will be printed as an appendix to this bill.

The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:

SECTION 1. 70.111 (22) of the statutes is amended to read:

70.111 (22) RENTED PERSONAL PROPERTY. Personal property held primarily for rental for periods of ~~one month~~ 364 days or less to multiple users for their temporary use, if the property is not rented with an operator, if the owner is not a subsidiary or

BILL**SECTION 1**

1 affiliate of any other enterprise which is engaged in any business other than personal
2 property rental, if the owner is classified in group number 735, industry number
3 7359 of the 1987 standard industrial classification manual published by the U.S.
4 office of management and budget, or under 532412 of the 2012 North American
5 Industry Classification System published by the U.S. bureau of the census, and if the
6 property is equipment, including construction equipment but not including
7 automotive and computer-related equipment, television sets, video recorders and
8 players, cameras, photographic equipment, audiovisual equipment, photocopying
9 equipment, sound equipment, public address systems and video tapes; party
10 supplies; appliances; tools; dishes; silverware; tables; or banquet accessories.

SECTION 2. Initial applicability.

11
12 (1) This act first applies to the property tax assessments as of January 1, 2014.

13 (END)

Insert 2-10

**2013-2014 DRAFTING INSERT
FROM THE
LEGISLATIVE REFERENCE BUREAU**

LRB-3878/2ins
JK:sac:jm

Insert 2 - 10

x

SECTION 1. 70.111 (22) of the statutes is renumbered 70.111 (22) (a) and amended to read:

70.111 (22) (a) RENTED PERSONAL PROPERTY ~~Personal~~ Except as provided in par. (b), personal property held for rental for periods of one month or less to multiple users for their temporary use, if the property is not rented with an operator, if the owner is not a subsidiary or affiliate of any other enterprise which is engaged in any business other than personal property rental, if the owner is classified in group number 735, industry number 7359 of the 1987 standard industrial classification manual published by the U.S. office of management and budget and if the property is equipment, including construction equipment but not including automotive and computer-related equipment, television sets, video recorders and players, cameras, photographic equipment, audiovisual equipment, photocopying equipment, sound equipment, public address systems and video tapes; party supplies; appliances; tools; dishes; silverware; tables; or banquet accessories.

History: 1971 c. 315; 1973 c. 90; 1973 c. 336 s. 36; 1975 c. 39, 224; 1977 c. 29 ss. 746, 1646 (2), (3), (4); 1977 c. 142, 273; 1979 c. 3, 199, 349; 1981 c. 20, 221; 1983 a. 27 ss. 1179 to 1179m; 1983 a. 88, 201, 243, 276; 1985 a. 29; 1987 a. 387, 399; 1989 a. 31; 1991 a. 269; 1993 a. 85; 1995 a. 27; 1997 a. 248; 1999 a. 9; 1999 a. 150 s. 672; 2001 a. 16, 30, 105; 2005 a. 298; 2007 a. 11, 20, 42, 97; 2009 a. 2; 2013 a. 20.

SECTION 2. 70.111 (22) (b) of the statutes is created to read:

70.111 (22) (b) Personal property held primarily for rental for periods of 364 days or less to multiple users for their temporary use, if the property is not rented with an operator, if the owner is not a subsidiary or affiliate of any other enterprise which is engaged in any business other than personal property rental, if the owner is classified under 532412 of the ²⁰¹² North American Industry Classification System^{2012 edition} published by the U.S. bureau of the census, and if the property is heavy

- 1 equipment used for construction, mining, or forestry, including bulldozers,
- 2 earthmoving equipment, well-drilling machinery and equipment, or cranes.

DRAFTER'S NOTE
FROM THE
LEGISLATIVE REFERENCE BUREAU

LRB-3878/2dn

JK:sac:jm *je*

- date -

Representative Bernier: ✓

Please review this draft carefully to ensure that it is consistent with your intent. Please note that the description of the property that would be exempt under s. 70.111 (22) (b), as created in the bill, was taken directly from the classification under 532412 of the North American Industry Classification System.

Joseph T. Kreye
Senior Legislative Attorney
Phone: (608) 266-2263
E-mail: joseph.kreye@legis.wisconsin.gov

**DRAFTER'S NOTE
FROM THE
LEGISLATIVE REFERENCE BUREAU**

LRB-3878/2dn
JK:sac:rs

January 31, 2014

Representative Bernier:

Please review this draft carefully to ensure that it is consistent with your intent. Please note that the description of the property that would be exempt under s. 70.111 (22) (b), as created in the bill, was taken directly from the classification under 532412 of the North American Industry Classification System.

Joseph T. Kreye
Senior Legislative Attorney
Phone: (608) 266-2263
E-mail: joseph.kreye@legis.wisconsin.gov

Parisi, Lori

From: Zuleger, Chad
Sent: Monday, February 03, 2014 9:05 AM
To: LRB.Legal
Subject: Draft Review: LRB -3878/2 Topic: Property tax exemption for rented personal property

Please RUSH Jacket LRB -3878/2 for the ASSEMBLY.

Thank you!

Chad

Chad Zuleger
Office of State Representative Kathy Bernier
68th Assembly District
(608) 266-9172